

## PROMISSORY NOTE

**AMOUNT:** \$[amount] (the “Loan Amount”)

**DATE:** [date]

**TO EVIDENCE A LOAN MADE** by \_\_\_\_\_ (“Lender”) to me in the amount of \$####.## (“Loan Amount”), I hereby promise to repay the Loan Amount to the Lender in full upon the terms set out below:

1 The Lender may demand repayment in writing at any time, in which case I will repay the full amount of the Loan Amount within \_\_\_ months of receipt of the written notice of demand. The Lender agrees that only the Lender may demand repayment, and that no attorney or other personal representative may issue a demand for repayment on the Lender’s behalf while the Lender is still alive even if the Lender is no longer mentally competent.

2 In addition, and subject to paragraph 3, I agree to repay the Loan Amount in full within \_\_\_ months after the death of the Lender.

3 At either my option or the option of the Lender’s executor or administrator, all or any portion of the Loan Amount then outstanding may be repaid by deducting from my share of the Lender’s estate (if any), in which case the \_\_\_ month notice set out in the foregoing paragraph shall not apply to the amount to be deducted, and the amount to be deducted will be applied as if I had repaid the Lender’s estate is distributed to me. In the event that I do not repay the Loan Amount in full, then I agree to pay the amount of the Loan Amount then outstanding to the Lender within the \_\_\_ month period set out in the foregoing paragraph. I acknowledge and agree that any amount owing under this Promissory Note at the death of the Lender will be a part of the Lender’s estate, and that I may therefore end up sharing in the estate of the Lender on the Lender’s death.

4 It is agreed that the Loan Amount will not bear interest prior to the due dates set out under paragraphs 1, 2 and 3. However, if I do not repay the Loan Amounts in full within the time limits set out in paragraphs 1, 2 and 3, then the unpaid portion of the Loan Amount will bear interest at \_\_\_% per year and all subsequent payments will be applied first to interest and then to principal.

5 The Loan Amount may be prepaid at any time and in any amount without notice, bonus or penalty.

6 I agree to pay all reasonable costs or expenses of the Lender incurred in enforcing my obligations under this Promissory Note, which will bear interest at the rate set out in paragraph 4 commencing one month after I receive written notice of the expense to be paid.

7 This promissory note may not be assigned by the Lender set out above.

**DATED** at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
[BORROWER]